Lesson at a Glance

**Aim**
Enhance the knowledge of HOPCs and SPAs on Result based budgeting, the key financial aspects within UN police components, quick impact projects, and the stages of procurement within UN.

**Learning Outcomes**
Learners will:
- Understand what is RBB
- Be aware about the Process of RBB comprising Formulation, Monitoring, and Evaluation;
- Be aware about financial aspects within UNPOL components in peace operations;
- Be aware about what Quick impact project is and how this can be utilized.
- Be aware about procurement aspects within UNPOL Components in peace operations.
The Lesson

Starting the Lesson

Introduce the following (using the Introductory Slides):

- Lesson Topic
- Aim
- Learning Outcomes
What is RBB?

Importance of RBB: Setting up a logical framework helps to articulate proper objectives and expected results, ensure that a programme design is consistent, recognize the external factors on which the success of the programme depends, and derive required resources. The framework can improve the preparation of a programme budget submission and its performance measurement process by clarifying a programme’s design and making it transparent to Member States, managers and staff in general. This applies to all the components of a UN field mission including police component.

a) It involves calculating and proposing resource requirements on the basis of pre-determined results, rather than merely on the basis of scheduled outputs or
activities. These programmes are articulated at the outset of the budgetary process.

b) Different from line item budgeting and programme budgets, which do not lay emphasis on, desired results.

c) RBB establishes a top-down, logical framework, using a number of strictly defined concepts, such as objectives, expected results, performance indicators and outputs for a given budget period.

d) RBB allows the Organization to attain a unified sense of purpose and direction.

**RBB Process**

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![Police Administration – RBB Process](image)

### i. Formulation
- In the preparatory stages, the RBB establishes objectives, desired results and expected outputs as well as performance indicators and linking these to resource requirements in a single logical framework.
- The logical framework constitutes the basis for the programme budget proposals.
• External factors are exogenous to the logical framework. These exogenous factors outside the control of organization should be articulated at the time of formulating the logical framework itself.

• One of the greatest advantages of setting up a logical framework is that it articulates well-defined objectives and desired results. It also ensures that the programme design is consistent and recognizes the external factors on which the success of the programme would depend. The required resources for achieving the desired results may then be logically projected. The framework can also improve to a great extent the preparation of a programme budget submission and its performance measurement process by clarifying a programme’s design and making it transparent to Member States, managers and staff in general.

• The setting up of a logical framework should be done in the following sequence: a) Defining the objective; b) Defining the SMART expected results of the programme; c) Specifying the outputs; d) Identifying significant external factors; e) Determining required resources; f) Testing the logical framework for consistency; g) Establishing performance indicators to measure results.

• Performance indicators must be measurable or observable, relevant, meaningful, valid and verifiable.

• Other steps involve submission to the Department of Management the logical framework and resource requirement followed by presentation to ACABQ and Fifth Committee before ratification of the GA.

• Budget cycle for DPKO-led mission is annual and for DPA-led mission biennium.

ii. Monitoring/performance measurement
• Monitoring the progress of time-bound targets.
• Course correction, if so required, for achieving the goals set forth in the RBB.

iii. Evaluation
• Evaluation is partly contained in the reports of the Secretary-General while presenting the budget for the next budget cycle as budgeting in the UN has continuity. The report also contains the details of progress made in the budget cycle preceding the last budget cycle.
• Evaluation is also carried out internally by OIOS and externally by the Board of Auditors.
Ask participants to identify the Indicators of Achievements, outputs, and the external facers based on the given expected accomplishment on the RBB template.

**Why Financial Administration**

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- Among the most importance reasons for the management of UN resources and expenditures are:
  a) To ensure the achievement of goals and objectives of the organization;
  b) To ensure propriety, efficiency and effectiveness in the use public resources;
  c) To reduce wastage; and
  d) To avoid misuse of funds.

- These functions are collectively performed by the Executive (Secretary-General who asks for funds), Legislature (General Assembly who authorizes those funds), Department of Management (who controls those funds) and the Auditor (Board of Auditors who audits whether the funds were used for the authorized purpose).
The General Assembly authorizes the budget of a UN field mission in the following three groups:

1) Group-1: Military and Police Personnel Costs
2) Group-2 Civilian Personnel Costs
3) Group-3: Operational Requirements

Each group consists of different classes of expenditures and each class of expenditure may have further sub-classes.

The authority to re-appropriate (reddeploy) funds is delegated by the General Assembly for exceptional cases (on case-to-case basis).

**Finances of UN Field Missions**

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**Classification of Peace Operations Budget**

<table>
<thead>
<tr>
<th>Group 1</th>
<th>Group 2</th>
<th>Group 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uniformed Personnel (MSA, entitlements, etc.)</td>
<td>International Staff (Salaries, entitlements, etc.)</td>
<td>Operational Costs (O&amp;O Non-Training, O&amp;O Training, etc.)</td>
</tr>
</tbody>
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**Finances of UN field missions**

- Finances of field missions
  A. Budgetary resources
  B. Extra-budgetary resources
• Budgetary resources are authorized by the General Assembly for the specified budget cycle of a field mission.
• Extra-budgetary resources are over and above the budgetary resources, which may be earmarked by other entities such as UN funds, programmes and agencies; bilateral donors; regional and other multinational organizations towards achieving the mandate of a UN field mission.
• Extra-budgetary resources also include funding from Multi Donor Trust Funds (MDTFs) such as Peacebuilding Fund (PBF), voluntary unilateral/bilateral contributions.

Financial Administration in UN

**Peacebuilding Fund (PBF) and other unilateral/bilateral contributions**

• The PBF is a flexible peacebuilding tool that supports the UN’s broader peacebuilding objectives in countries at risk of relapsing into conflict;
• There are two windows of funding from PBF: Immediate Response Facility (IRF) and Peacebuilding and Recovery Facility (PRF);
• Whereas IRF is project-based for short-term funding in the areas where rapid response is required, PRF is the programme-based financing mechanism, which is driven by national ownership and stakeholder engagement in the management of PBF resources at the country level;
• The field mission may also accept unilateral/bilateral contributions on behalf of USG, Department of Management towards the implementation of its mandate.
Quick Impact Projects (QIPs)

Quick Impact Projects (QIPs) are small-scale, rapidly-implementable projects, of benefit to the population.

QIPs are used by UN PKOs to establish and build confidence in the mission and its mandate to improve the environment for effective mandate implementation.

QIPs may include small-scale and non-recurrent low-cost projects which are usually visible to the population.

QIPs funding is provided to the PKOs through the assessed budget.

Governed by the Revised Quick Impact Projects (QIPs) Policy effective from January 2016.

Authority for the financial management of QIPs is delegated to the concerned DMS/CMS.

- Maximum budget for individual QIPs should not exceed $50,000 unless prior authorization has been obtained from the Controller of Accounts.
- Maximum implementation time for projects should not exceed six months (180 days) from the date the first instalment of project.
• Non-recurrent small-scale and low-cost police related projects generally having visibility may also be included for funding under QIPs budget.
• Resources for QIPs may be included in the budget request for the start-up phase and for the first two years of the mission.
• In the third year of the mission and beyond, funding for QIPs should be requested if there is a requirement for confidence-building activities of this nature.
• Budgetary requests for QIPs may constitute up to 1% of the requested resources.
• All reasonable efforts should be made to ensure that QIP funds are used within the budget period for which they were requested.

Procurement

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Police Administration – Procurement

• Procurement in UN is based on the principles of public procurement;
• Procurement in UN is carried out through both informal and formal methods of solicitation;
• The monetary threshold established for formal methods of solicitation, currently fixed at USD 40,000;
• Any procurement above threshold of USD 40,000 is concluded through formal methods of procurement such as Invitation to Bid (ITB) or Request for Proposal (RFP);
• For procurement of value above USD 4,000 but up to USD 40,000, procurement authorities use informal methods of solicitation such as Request for Quotation (RFQ).

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• For procurement of value above USD 4,000 but up to USD 40,000, procurement authorities use informal methods of solicitation such as Request for Quotation (RFQ).
• The United Nations is guided by the following four broad principles of procurement:
  a) Promotion of the objectives of the United Nations
  b) Fairness, integrity and transparency through competition
  c) Economy and effectiveness
  d) Best value for money.
• These monetary thresholds represent the adherence to the canons of fairness, transparency, economy, effectiveness and the best value for money.
• For value up to USD 4,000, other methods such as shopping may be used for procurement of low value goods/items.
• The procurement authorities, inter alia, strictly comply with the Financial Regulations and Rules of the United Nations in deciding on the method of solicitation.

Procurement Matters

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Police Administration – Procurement Matters

The Procurement Section of a Mission Support Division is solely authorized and responsible for procuring materiel and services for mission components; and only the DMS/CMS have the authority to commit UN financial resources for any purpose.

PLU submits a request to JLOC
The request will be forwarded to Procurement Section
Approval of DMS/CMS is required
Procurement process broadly involves the following 10 stages:

1. Operational Procurement Planning;
2. Requirement Definition;
3. Sourcing;
4. Selection of a Procurement Strategy;
5. Preparation and Issuance of Solicitation Documents;
6. Receipt and Opening of Offers;
7. Evaluation;
8. Contract Review and Award;
9. Contract Finalization and Issuance;
10. Contract Management;
## Summary

**What is RBB?**

1. Formulating budgets driven by pre-determined desired results;
2. RBB establishes a top-down, logical framework, using a number of strictly defined concepts, such as objectives for the biennium, expected results, performance indicators and outputs;
3. A top-down logical framework approach.

**RBB Process**

- Formulation
- Monitoring / Performance measurement
- Evaluation

**Financial Administration**

- Operates through the instrument of budget encompassing the entire budgetary cycle, namely, formulation of budget, its enactment, execution, and accounting and auditing.
- Ensures that money is strictly utilized for the purpose it is allocated for and in an efficient and effective manner.
- Making funds available to the Secretary-General for his duties and responsibilities lawfully, efficiently, and effectively.

**Quick Impact Projects**

- Small-scale, rapidly implementable projects, of benefit to the population.
- QIPs are used by UN peacekeeping operations to establish and build confidence in the mission.
- Maximum budget for individual QIPs should not exceed $50,000 unless prior authorization has been obtained from the Controller of Accounts.
- Maximum implementation time for projects should not exceed six months (180 days) from the date the first instalment of project.

**Procurement Matters**

Operational Procurement Planning; Requirement Definition; Sourcing; Selection of a Procurement Strategy; Preparation and Issuance of Solicitation Documents; Receipt and Opening of Offers; Evaluation; Contract Review and Award; Contract Finalization and Issuance; Contract Management.
Reference Materials

Below are materials, which are: a) referenced in this lesson, and b) required reading for instructor preparations:

- SGF Administration;
- United Nations Guide to results-based budgeting (October 1998);
- Results-Based Management in the United Nations Development System: Progress and Challenges (July 2012);
- Financial Regulations and Rules of the United Nations (July 2013);
- Result Based Budgeting: The Experience of United Nations System Organizations (JIU; 1999);
- DPKO/DFS Quick Impact Projects (QIPs) Policy (Ref. 2012.21) effective from 21 January 2013;

Additional Resources

UN Information
http://www.unpbf.org/

UN Documents

- General Assembly Resolution A/RES/60/180 (December 2005);
- General Assembly Resolution A/RES/60/266 (Section-VIII), June 2006;

DPKO and DFS Guidance

The repository for all official DPKO and DFS guidance is the Policy and Practice Database: ppdb.un.org (only accessible from the UN network). Official peacekeeping guidance documents are also accessible through the Peacekeeping Resource Hub: http://research.un.org/en/peacekeeping-community

Instructors are encouraged to check for the latest guidance.

Additional Training Resources

UN.SkillPort is the UN Office of Human Resource Management’s (OHRM) on-line learning solution. More than 3,000 courses and 15,000 books are available on line. UN personnel are encouraged to self-register at https://un.skillport.com/skillportfe/register.action